

**MINUTES OF MEETING  
VILLAGE COMMUNITY  
DEVELOPMENT DISTRICT No 5**

The Meeting of the Board of Supervisors of the Village Community Development District No. 5 was held on Friday, December 21, 2012 at 8:00 a.m. at the District Office Board Room, 1894 Laurel Manor Drive, The Villages Florida, 32162.

Board members present and constituting a quorum:

Walter Martin	Chairman
Gary Kadow	Vice Chairman
Chuck Wildzunas	Supervisor
Diane Spencer	Supervisor

Staff Present:

Janet Tutt	District Manager
Diane Tucker	Administrative Operations Manager
Valerie Fuchs	District Counsel
Sam Wartinbee	District Property Management Director
David Miles	Finance Director
Jennifer McQueary	District Clerk
Brittany Wilson	Executive Assistant
Candice Lovett	Staff Assistant

**FIRST ORDER OF BUSINESS:**                      **Call to Order**

A.      Roll Call

Chairman Martin called the meeting to order at 8:00 a.m. and stated for the record that four (4) Supervisors were present representing a quorum. Jerry Ferlisi was absent.

B.      Pledge of Allegiance

At the request of Chairman Martin, Vice Chairman Kadow led the Pledge of Allegiance and requested observation of a moment of silence for those who lost their lives in the Newtown, Connecticut tragedy.

C. First Time Meeting Attendees

The Board welcomed all those residents in attendance at a Village Community Development District No. 5 Board meeting for the first time.

Chairman Martin presented Ron Kaissling, previous District 5 Board Chairman and Supervisor, with a plaque recognizing him for his service to the community and residents of District 5.

D. Audience Comments

There were no audience comments.

**SECOND ORDER OF BUSINESS:      Approval of the Minutes from the Board Meeting held on November 16, 2012**

<b>On MOTION by Diane Spencer, seconded by Gary Kadow, with all in favor, the Board approved the Minutes from the Board Meeting held on November 16, 2012.</b>
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**THIRD ORDER OF BUSINESS:      Financial Statements as of November 30, 2012**

David Miles, Finance Director, reviewed the cash analysis prepared on November 28, 2012 that identified the District's investable balances as \$9,491,885 which are distributed among Citizens First Bank (CFB), State Board of Administration (SBA), the Florida Municipal Investment Trust (FMIvT) 1-3 and 0-2 year bond fund accounts and the Florida Governmental Investment Trust (FLGIT) funds. The Budget to Actual Statements for the month ending November 30, 2012 were provided to the Board identifying 16.67% of the Fiscal Year and advised the total available resources are at 19% of the budgeted resources for the year. Mr. Miles advised the year-to-date total expenditures are currently at 15.32%. During the month of November the District's revenues exceeded the expenditures by \$357,527 and on a year-to-date basis the revenues have exceeded the expenditures by \$132,375.

Chairman Martin thanked Mr. Miles and Staff for their diligent efforts throughout the year.

**FOURTH ORDER OF BUSINESS:      District Property Management Reports**

A. Landscape Maintenance Update

Dave Freeman, District Property Management (DPM) Supervisor provided the Board with an update on the following items:

- Villa wall and entry signs are scheduled to be power washed.
- Relocation of original solar lighting installed at some villa entries is being completed due to the height of shrubs.

**FIFTH ORDER OF BUSINESS: Case No. D5-01-13 VCDD No. 5 vs. Walter Hughes**

**A. Staff Overview and Recommendation**

Diane Tucker, Administrative Operations Manager, advised the Board Case No. D5-01-13, VCDD No. 5 vs. Walter Hughes, 657 Northam Terrace, Unit 80, Lot 167 is a violation of the District's Rule that states: "Owners shall keep their Homesites neat and clean and the grass cut and edged at all times." Staff provided the Board with background information pertaining to the violation and advised the outstanding fine is \$250 and the actual cost of maintenance is \$75. Staff has identified that the property is in foreclosure with Bank of America and the property has been placed in their property preservation program. To date, Staff has been unable to verify where the property owner resides and the utilities have been turned off since January 2012. Ms. Tucker advised it is Staff's recommendation to find the owner in violation of the District's Deed Compliance Rule as stated; owner is hereby fined \$250 to be paid within ten (10) days of the Order of Enforcement; owner shall be fined \$250 each time the property is maintained by the District; Staff will continue to monitor the maintenance of the property and work with Bank of America and their property preservation department; if the fines reach \$1,500 and the property is no longer in foreclosure, the case shall be turned over to District Counsel to seek all available legal remedies including seeking an injunction against the owner; if the property transfers ownership and the fines are not paid within one year of the transfer of ownership, the fines shall be waived and Case No. D5-01-13 shall be closed and the Board authorizes the Chairman to execute the Order of Enforcement.

**B. Open Public Hearing to Received Public Comment**

Chairman Martin opened the public hearing at 8:13 a.m. to receive public comment.

**C. Close Public Hearing**

Hearing no public input, Chairman Martin closed the public hearing at 8:13 a.m.

**D. Board Determination**

Chairman Martin inquired if Bank of America typically maintains properties during the foreclosure process. Ms. Tucker stated Staff has very successfully worked with Bank of America to ensure their foreclosed properties are maintained on a regular basis.

**On MOTION by Gary Kadow, seconded by Diane Spencer, with all in favor, the Board found the Property Owner of 657 Northam Terrace, Unit 80, Lot 167 in Violation of the District's Rule to Bring About Deed Compliance based on the evidence and testimony submitted in compliance with the District's Deed Compliance Rule as cited by Staff; Owner is hereby fined \$250 to be paid within ten (10) days of the Order of Enforcement; Owner shall be fined \$250 each time the property is maintained by the District; Staff will continue to work with Bank of America and their property preservation department; If the fines reach \$1,500 and the property is no longer in foreclosure, Case No. D5-01-13 shall be turned over to District Counsel to seek all available legal remedies including seeking an injunction against the Owner; If the property transfers ownership, and the fines are not paid within one year of the transfer of ownership, the fines shall be waived and Case No. D5-01-13 shall be closed and the Board authorizes the Chairman to execute the Order of Enforcement.**

**SIXTH ORDER OF BUSINESS:**

**Appeal of Architectural Review Committee Denial of  
Alteration Application #12-43829**

**A. Staff Overview and Recommendation**

Ms. Tucker advised Alteration Application #12-43829 was submitted by Herbert & Dorothy Bree, 1923 Montrose Court, to install four (4) block windows on the dominant tenant side of the home. The application was submitted to the Architectural Review Committee (ARC) on September 4, 2012 and on September 12, 2012 the application was reviewed and denied by the ARC based on the District's Rule which states: "No Owner shall make any structural alteration, or shall undertake any exterior repainting or repair of, or addition to his residence, which would substantially alter the exterior appearance thereof, without prior written approval of the plans and specifications set forth by the Architectural Review Committee." On October 8, 2012, Mr. & Ms. Bree submitted a letter to the District requesting an appeal of the ARC's decision stating they did not believe the installation of the windows would cause an infringement of the neighbor's use of property.

**B. Open Public Hearing to Received Public Comment**

Chairman Martin opened the public hearing at 8:17 a.m. to receive public comment.

Herbert Bree, 1923 Montrose Court, advised the Board the alteration application was submitted as a request to install four (4) 10" x 18" solid block windows approximately six (6) feet above the ground and stated he does not believe this type of window would adversely affect the neighbor's use of their property.

Supervisor Spencer stated the Rule reads "no substantial alteration" and it is not her belief that installing the windows would be a substantial alteration.

Supervisor Wildzunas inquired if there were any restrictions for installing windows on the dominant side of the home. Ms. Tucker stated the ARC denied the alteration application based on the belief the windows would be an infringement on the neighbor's use of property.

Jerry Knoll, District 5 ARC Representative, explained the reasoning behind the ARC's denial was based on the section of the Deed Restrictions which state: "The ARC shall grant its approval only in the event the work will benefit and enhance the entire subdivision in a manner generally consistent with the plan of development thereof." Mr. Knoll stated it was the ARC's opinion that installing the glass block windows on the dominant side of the home would substantially change the character of the patio villas.

Vice Chairman Kadow inquired if the ARC had a concern the approval would set a precedence. Mr. Knoll advised the ARC reviews each application on a case-by-case basis.

Chairman Martin requested and received clarification as to the location of the windows.

C. Close Public Hearing

Receiving no other public input, the Chairman closed the public hearing at 8:34 a.m.

D. Board Determination

Supervisor Spencer made a motion to approve the appeal of Alteration Application #12-43827 submitted by Herbert & Dorothy Brees stating the installation of the windows would not substantially alter the exterior appearance of the home; however, the motion did not receive a second.

Supervisor Kadow stated other alternatives can be explored to achieve additional lighting in the homes and advised the spacing of the block windows would change the appearance of the property considerably.

On MOTION by Gary Kadow, seconded by Chuck Wildzunas, with three (3) Board Members voting "Aye", and Diane Spencer voting "Nay" the Board voted to uphold the Architectural Review Committees denial of Application #12-43829.

**SEVENTH ORDER OF BUSINESS:      Adoption of Resolution 13-07 authorizing the Sale and approving the Issuance of the 2013 special Assessment Revenue Bonds**

Mr. Miles advised Staff is requesting the Board adopt Resolution 13-07 authorizing the issuance and awarding the sale of not to exceed \$15,000,000 in principal, to fund the existing Series 2002A Bonds, and not to exceed \$23,100,000 to refund the existing 2003A Bonds.

Valerie Fuchs, District Counsel, advised the 2002A and 2003A bond series were issued to pay a portion of the public infrastructure needed to serve Phases I and II of the Development. The 2012 Special Assessment Revenue Bonds will be secured by the same Non-Ad Valorem special assessments imposed to secure the 2002A and 2003A bond issuances. Ms. Fuchs stated Resolution 13-07, which is commonly referred to as the Bond Delegation Resolution authorizes the issuance of and awards the sale of the Special Assessment Revenue Refunding Bond Series 2013 for Phase I at a principal amount not to exceeding \$15,000,000, as previously stated, and the Special Assessment Revenue Refunding Bond Series 2013 for Phase II at a principal amount not to exceed \$23,100,000 to Citigroup Global Markets, the District's Underwriter, and authorizes all actions and matters relating to the bond issuance including authorizing the Chairman or designee to execute all documents necessary to close on the bonds. Ms. Fuchs stated Resolution 13-07 includes the following exhibits: Exhibit A - the Supplemental Indenture which sets forth the terms and form of the bonds and establishes the funds in accounts and sets forth the trustee's responsibilities; Exhibit B - the Contract of Purchase between the District and Citigroup Global Markets and corresponding exhibits, which have been provided to the Board; Exhibit C - the Preliminary Limited Offering Memorandum (PLOM) and the Limited Offering Memorandum and corresponding exhibits, which have been provided to the Board and Exhibit D - the Continuing Disclosure Certificate.

Mike Williams of Akerman Senterfitt, Bond Counsel to the District, referred to Section 5 of the Resolution which outlines the three (3) conditions the Underwriter must meet in order for the Chairman to have authorization to sign the Bond Purchase Contract and provides that the present value savings is

at least ten percent (10%) of the par amount for both transactions. Mr. Williams stated the refunding of the bonds will not extend the maturity of the bonds and advised the final Phase I Bond shall mature no later than May 1, 2033 and the Phase II Bond shall mature no later than May 1, 2034.

Supervisor Spencer stated the refunding of the bond will result in a cost savings to residents of the District with no extension of the maturity date.

Brent Wilder of Public Financial Management (PFM), the District's Financial Advisor, provided the Board with a market update advising the market is holding and although rates have increased over the past couple of weeks, it is anticipated the refinancing will be executed in early 2013 and achieve substantial savings for the residents.

**On MOTION by Diane Spencer, seconded by Gary Kadow, with all in favor, the Board adopted Resolution 13-07 authorizing the Sale and Approving the Issuance of the 2013 Special Assessment Revenue Bonds (Phase I) not to exceed \$15,000,000 and Special Assessment Revenue Bonds (Phase II) not to exceed \$23,100,000 to Citigroup Global Markets, Inc.**

**EIGHTH ORDER OF BUSINESS:            Approval of Dissemination Agreement with Prager & Co., LLC.**

Mr. Miles advised during the fiscal year Staff compiles financial information which the District is required to provide annual disclosures to the secondary market via the Electronic Municipal market Access (EMMA) and Staff is requesting approval to utilize Prager & Co, LLC to complete these annual disclosures to EMMA on the District's behalf. Mr. Miles stated the Dissemination Agreement will be part of the closing documents for the refunded bonds and will be effective March 30, 2013.

**On MOTION by Gary Kadow, seconded by Diane Spencer, with all in favor, the Board approved the Dissemination Agreement with Prager & Co., LLC.**

**CONSENT AGENDA:**

Chairman Martin advised the Board a motion to approve the Consent Agenda is a motion to approve all recommended actions. All matters on the Consent Agenda are considered routine and no discussion will occur unless desired by a Board Member.

On MOTION by Diane Spencer, seconded by Gary Kadow, with all in favor, the Board approved the following items on the Consent Agenda:  
**NINTH ORDER OF BUSINESS:** Adoption of Resolution Nos. 13-03, 13-04 and 13-05 updating the signatories for the Village Community Development District No. 5 Citizens First Bank, State Board of Administration and U.S. Bank accounts.  
**TENTH ORDER OF BUSINESS:** Adoption of Resolution 13-06 amending the Fiscal Year 2012/2013 Budget to carryforward \$28,300 for villa wall painting.  
**ELEVENTH ORDER OF BUSINESS:** Approval of the continuation of the Compensating Balance Agreement with Citizens First Bank and the revised distribution of balances among Districts and Funds as provided.

**TWELFTH ORDER OF BUSINESS: Old Business Status Update**

Mr. Wartinbee provided the Board with an update on the following Old Business Status items:

- Weed whipping has been completed at Pimlico Pond.
- Pertaining to the request to transfer water into Pimlico Pond, at this time, is not possible due to the storm pipe interconnect system. Additional rainfall to elevate the pond levels would be necessary to achieve the transfer of water.
- The pavement in front of 2423 Laurel Bay has been cut and patched.
- An inspection of all curbing and inlets has been completed and any debris has been cleared.

Ms. Fuchs stated at the November 16, 2012 meeting the Board authorized District Counsel to initiate conversations with a Construction Attorney to review the documents relating to the issues identified in the B-13 tunnel to determine if the District has a viable cause of action to pursue with legal action in this case. Following the Board's decision, which was conveyed to the contractor of the B-13 tunnel, Staff has received communication from the contractor and all reports pertaining to this matter have been provided for their review and consideration. Ms. Fuchs stated the Statute of Limitations continues to be a consideration; however, Staff is hopeful cooperation from the contractor is forthcoming.

Chairman Martin inquired if Counsel or Staff could anticipate how the contractor might proceed. Ms. Fuchs advised this is the same contractor who addressed the tunnel repairs in District 3. Mr. Wartinbee stated the contractor requested and received copies of inspection documents for all tunnels south of CR466 and Staff is hopeful a positive outcome will be achieved.



**THIRTEENTH ORDER OF BUSINESS: Staff Reports**

A. Happy Holidays!!!

Ms. Tutt wished the Board Happy Holidays and advised Staff is looking forward to a great 2013.

**FOURTEENTH ORDER OF BUSINESS: District Counsel Reports**

Ms. Fuchs wished the Board Happy Holidays.

**FIFTEENTH ORDER OF BUSINESS: Supervisor Comments**

Supervisor Spencer presented her letter of resignation to the Board advising she has sold her home and will be moving from District 5. Supervisor Spencer nominated Jerry Knoll to serve the remaining two (2) years of her term.

Vice Chairman Kadow requested clarification of the nomination process. Ms. Fuchs advised Chapter 190 provides if a seat becomes vacant during a term, that seat is to be filled by appointment by the Board.

Supervisor Wildzunas inquired if Mr. Knoll's appointment to Seat 2 would effect his participation as the District's representative on the ARC. Ms. Tutt advised it would.

**On MOTION by Diane Spencer, seconded by Chuck Wildzunas, with all in favor,  
the Board appointed Jerry Knoll to serve the remaining term as Seat 2 Supervisor.**

Ms. Spencer thanked the Board and Staff for their outstanding efforts during the six (6) years she served as a Supervisor.

Vice Chairman Kadow thanked Mr. Knoll for his service as the District's representative on the ARC.

Mr. Knoll thanked the Board for his appointment to the Board and advised he is looking forward to serving the District.

Ms. Tucker requested clarification from Ms. Fuchs regarding the process for replacing an ARC representative. Ms. Fuchs requested Staff review the process approved by this Board for replacement of the ARC representative and advise at the January 18, 2013 meeting.

The Board wished Staff and the residents in attendance Happy Holidays.

**SIXTEENTH ORDER OF BUSINESS: Adjourn**

The meeting was adjourned at 9:04 a.m.

<b>On MOTION by Chuck Wildzunas, seconded by Diane Spencer, with all in favor, the meeting was adjourned.</b>
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Janet Y. Tutt  
Secretary

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Walter Martin  
Chairman